

## Message Text

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ACTION EUR-25

INFO OCT-01 ADP-00 EURE-00 /026 W

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O R 101442Z AUG 73

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC IMMEDIATE 1057

INFO AMEMBASSY HELSINKI

LIMITED OFFICIAL USE SECTION 1 OF 2 MOSCOW 9509

E. O. 11652: N/A

TAGS: AFSP ABLD UR

SUBJECT: ADDITIONAL STL APARTMENTS

REF: (A) STATE 157295, (B) STATE 153360,  
(C) STATE 123558, (D) MOSCOW A-454 OF  
AUGUST 1, 1973

HELSINKI FOR SOMMERLATTE

1. BEFORE RECEIPT OF REF (A), AND BASING ACTION ON  
PARA 4 OF REF (B) AND ON AUTHORIZATION CONTAINED REF  
(C), EMBASSY YESTERDAY SIGNED LETTERS OF INTENT  
ACCEPTING 17 ADDITIONAL STL APARTMENTS AT LENINSKIJ  
PROSPEKT 83. LEASES CAN BE SIGNED ONLY AFTER COM-  
PLETION OF RECONFIGURATION SINCE RENTAL COSTS ARE  
BASED ON "LIVING SPACE" (ZHILWAYA PLOSHCHAD) RATHER  
THAN GENERAL AREA OF APPARTMENTS. SINCE RECONFIGURATION  
OF APARTMENTS WILL CHANGE TOTALS FOR LIVING SPACE,  
UPDK NOT WILLING TO SIGN LEASES UNTIL RECONFIGURATION  
IS COMPLETE. SAME PROCEDURE WAS FOLLOWED FOR RECON-  
FIGURATION OF STL APARTMENTS OBTAINED IN 1971 ON  
VAVILOVA STREET.

2. APARTMENTS AT LENINSKIJ 83 ARE ONE-AND TWO-ROOM  
APARTMENTS (ROOM, NOT BEDROOM), NOT FIVE-ROOM APART-  
MENTS AS WERE OBTAINED AT VAVILOVA. RECONFIGURATION  
COSTS THUS CONSIDERABLY HIGHER SINCE MORE PARTITIONS  
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MUST BE REMOVED, AS WELL AS MORE KITCHENS, BATHS,

ETC. DEPARTMENT MAY NOT BE AWARE THAT RECONFIGURATION COSTS MUST ALSO INCLUDE COSTS OF RESTORING APARTMENTS TO ORIGINAL CONDITION AFTER LEASE EXPIRES, A PROCEDURE FOLLOWED IN EARLIER ACQUISITIONS OF STL LEASES. FOR EXAMPLE, REMOVAL OF PARTITIONS IS FIGURED ON BASIS OF FROM 33 TO 45 RUBLES PER SQUARE METER, FOR COST MUST INCLUDE REBUILDING OF PARTITION. EMBASSY HAS CLOSELY COMPUTED CHARGES ON REMOVAL OF PARTITIONS, PAINTING, REMOVAL OF WALLPAPER, ETC., AND FINDS THAT TOTAL CHARGES FALL WELL WITHIN UPDK'S NON-NEGOTIABLE GUIDELINES FOR SUCH WORK. WHILE RENOVATION OF CONSULATE GENERAL IN LENINGRAD MAY HAVE COST LESS, EMBASSY MUST POINT OUT THAT RENOVATION COSTS IN THAT INSTANCE DID NOT INCLUDE CHARGES TO RESTORE BUILDING TO ORIGINAL CONDITION AT EXPIRATION OF LEASE; EMBASSY ALSO SEES LITTLE VALIDITY IN COMPARISON BETWEEN RENOVATION COSTS FOR CONGEN AND RECONSTRUCTION COST FOR APARTMENTS. IN LATTER, WHOLE FLOORS MUST LITERALLY BE GUTTED AND REBUILT TO MEET ACCEPTABLE STANDARDS.

3. EMBASSY CONSIDERS IT IMPRACTICAL TO RENOVATE APARTMENTS ON PIECEMEAL BASIS, FOR THIS WOULD MEAN THAT RENOVATION COSTS WOULD BE EVEN HIGHER, SINCE UPDK WOULD UNDOUBTEDLY CHARGE MORE FOR MOVING WORK CREWS IN AND OUT. ALSO, TIME REQUIRED FOR RENOVATION UNDER SUCH A PROCEDURE WOULD BE LONGER, WHICH WOULD MEAN THAT EMBASSY WOULD BE PAYING RENT FOR UNUSABLE APARTMENTS FOR AN EVEN LONGER PERIOD THAN IT MUST UNDER PRESENT PROCEDURE. UPDK HAS STATED THAT FIRST TWO APARTMENTS WILL BE AVAILABLE WITHIN TWO AND ONE HALF WEEKS AND THAT ALL WILL BE READY BY END OF SEPTEMBER. WHILE THESE ESTIMATES UNDOUBTEDLY OPTIMISTIC, UPDK HAS SHOWN EVERY INDICATION THAT IT WISHES TO FINISH PROJECT AS SOON AS POSSIBLE.

4. EMBASSY, AS PART OF EXCHANGE OF LETTERS OF INTENT, AND AGAIN BASING ACTION ON PARA 4 OF REF (B), ALSO APPROVED ESTIMATES TO ALLOW UPDK TO BEGIN RECONFIGURATION. THOUGH EMBASSY HAS NOT YET MADE MANDATORY 50 PERCENT ADVANCE TO ALLOW FORMAL START OF RECONFIGURATION LIMITED OFFICIAL USE

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WORK, UPDK PLANS TO BEGIN RECONFIGURATION ON MONDAY, AND UNLESS OTHERWISE INSTRUCTED EMBASSY WILL MAKE THIS ADVANCE, APPROXIMATELY \$60,000, BEGINNING OF NEXT WEEK.

5. EMBASSY WAS ABLE TO REDUCE RECONFIGURATION COSTS FROM ORIGINAL UPDK ESTIMATE OF 99,195 RUBLES TO APPROXIMATELY 81,000 RUBLES. WHILE EMBASSY AGREES

THIS AN IMPOSING SUM FOR RECONFIGURING 17 APARTMENTS,  
EMBASSY ASSUMES IT IS NOT NECESSARY TO REMIND THE  
DEPARTMENT THAT COSTING PROCEDURES IN SOVIET ECONOMY  
ARE SELDOM RATIONAL.

6. FOLLOWING IS DETAILED INFORMATION REQUESTED BY  
DEPARTMENT IN REF (A). COSTS ARE AVERAGED AND REFLECT  
FACT THAT NOT ALL APARTMENTS WILL BE OCCUPIED  
BEGINNING AT SAME TIME.

#### RECONFIGURATION

	RUBLE	RUBLE			
	ORIGINAL	REDUCTION	AGREED	DOLLAR	
APT	UPDK	ATTAINED	RUBLE	DOLLAR	COST
SIZE	ESTIMATE	BY EMB	NET	NET	PER UNIT
4 BRM	9,397	1,591	7,806	11,396	11,396
3 BRM	34,880	8,236	26,644	38,926	9,731
2 BRM	23,394	3,244	20,150	29,416	4,903
1 BRM	31,524	5,740	25,784	37,641	6,273
TOTALS	99,195	18,811	80,384	117,379	32,303

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FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC IMMEDIATE 1058

INFO AMEMBASSY HELSINKI

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RENTAL AND UTILITIES IN DOLLARS,  
PROJECTED OCCUPANT  
QUARTERS FY74

	1ST	2ND	3RD	4TH	OCCUPANT
4 BRM	1,600	2,493	2,493	2,493	WYCOFF
				DAO	

3 BRM	1,367	2,144	2,177	2,144	NOAH '
					USIS
3 BRM	1,362	2,144	2,144	2,144	A.SMITH
					STATE
3 BRM	1,300	2,144	2,144	2,144	NILES '
					STATE
3 BRM	1,300	2,144	2,144	2,144	LAJOIE
					DAO
2 BRM	561	929	929	929	ENGLE '
					STATE
2 BRM	561	929	929	929	TIEDI "
					DAO
2 BRM	561	929	929	929	DANYLUK "
					AGR
2 BRM	561	929	929	929	BRAUN "
					DAO
2 BRM	561	929	929	929	(VACANT)
2 BRM	561	929	929	929	(VACANT)
1 BRM	561	877	929	929	ELLIOTT "
					STATE
1 BRM	561	877	929	929	KOLT "

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					DAO
1 BRM	561	877	929	929	MOXHAY "
					USIS
1 BRM	561	877	929	929	WENICK
					STATE
1 BRM	561	877	929	929	TRANSIENT
1 BRM	561	877	929	929	TRANSIENT

TOTALS 13,661 21,905 22,217 22,217

' NEW POSITIONS.

" TO BE MOVED OUT OF APARTMENTS IN CHANCERY TO  
 PROVIDE ADDITIONAL OFFICE SPACE.

4. DEPARTMENT WILL NOTE THAT 13 OF THESE 17 APARTMENTS  
 WILL BE OCCUPIED AS SOON AS THEY CAN BE RECONFIGURED  
 AND FURNISHED. ONE FOUR-BEDROOM APARTMENT AT LENIN-  
 SKIJ 45 WILL BE VACATED (NOT SUITABLE FOR REPRESENTA-  
 TIONAL NEEDS OF SMITH, WHO WILL HEAD ONE OF TWO PARTS OF  
 ECONOMIC/COMMERCIAL SECTION), AS WILL ONE THREE-BEDROOM  
 AT KUTUZOVSKIJ 14 (NOT SUITABLE FOR REPRESENTATIONAL  
 PURPOSES OF NEW CAO NOAH). EMBASSY WILL THUS HAVE  
 TOTAL OF ONLY FOUR APARTMENTS AVAILABLE FOR MUCH  
 NEEDED INCREASES IN STAFF (REF D). TWO  
 ONE-BEDROOM APARTMENTS WILL BE RESERVED FOR TRANSIENT  
 USE.

8. EMBASSY PROJECTS FOLLOWING QUARTERLY TOTAL  
EXPENDITURES FOR APARTMENTS:

1ST QUARTER   2ND QUARTER   3RD QUARTER   4TH QUARTER

RECONFIG.	BALANCE	RENT, ETC.	RENT, ETC.
(ADVANCE)	RECONFIG.	\$22,217	\$22,217
\$60,000	(57,000		

FURNISH.	RENT, ETC.
\$93,000	\$21,905

RENT, ETC.  
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\$13,661

\$171,661	\$78,905	\$22,217	\$22,217
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9. PROJECT TOTAL FOR FY 1974 IS THUS \$295,000.  
DUBS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 AUG 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973MOSCOW09509  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MOSCOW  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730845/aaaabhdyl.tel  
**Line Count:** 249  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) STATE 157295, (B) STATE 153360  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ADDITIONAL STL APARTMENTS  
**TAGS:** AFSP, ABLD, UR  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005